

**Testimony in support of LD 373, “An Act to Ensure Maine Employer and Employee Harmony in Climate and Energy Jobs”**

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Senator Tipping, Representative Roeder, and members of the Joint Standing Committee on Labor and Housing, my name is Arthur Phillips, and I am an analyst at the Maine Center for Economic Policy. I offer this testimony in support of LD 373. This bill would take measured steps to avoid costly labor disputes as our state builds out our renewable energy sector.

Flooding across Maine in recent weeks has clarified for communities across our state that we must transition away from fossil fuels as rapidly as possible. Volatile energy prices in recent years have demonstrated for consumers the importance of not relying on natural gas to power our increasingly electrified lives. Fortunately, Maine and states across the country are in the midst of significant federal investments to advance and rebuild our climate and energy infrastructure. As we embark on these goals, we should also seek to protect the state’s investments and ensure we are getting the desired returns we expect from leasing and contracting with the private entities carrying out this work. This bill is an important piece of the puzzle to ensure these economic developments benefit our state in the long term and are not unnecessarily interrupted or delayed.

A labor harmony or labor peace agreement is one in which employers and labor organizations agree to terms that minimize the chances of disruptive labor disputes. They are common across the country in sectors in which state or other public authorities contract or lease with private actors, including in airports, gambling and lotteries, health care, hospitality, housing development, social services, and clean energy. The goal of labor peace agreements is to protect the public authority’s proprietary interest by limiting the chances of strikes, picketing, lockouts, or other elements of a labor dispute that could delay or halt a project’s successful completion.

This bill would ensure that on the limited range of covered projects, employers bidding for public dollars are not incentivized to compete by having low-road labor standards and risking contentious labor disputes. Instead, it would encourage cooperation between employers and employees to ensure our shared goals are reached with a minimum of disruption. Particularly given the workforce challenges we face, this kind of legislation is a model for incentivizing behavior that benefits the interests of employers, workers, and the state alike, and which aligns with recently passed federal laws.

The past year was punctuated by a historic level of labor unrest, involving more workers for longer periods of time than we have seen in recent memory. Given the importance of

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building and improving our clean energy, broadband, and transportation infrastructure, this bill would wisely protect against unneeded disruption. We therefore urge you to support this bill.

Thank you for the opportunity to testify, and I welcome any questions you may have.

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